



REAL ESTATE VALUATION REPORT

**HOTEL AND WORKPLACE
2019_AKFENGYO_0016
“ HOTEL VALUATION”**

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1 REPORT SUMMARY

**TYPE OF THE PROPERTY
EVALUATED** : HOTEL

**BRIEF DISCRIPTION OF
THE PROPERTY
EVALUATED** : This report is a real estate appraisal report dated 29.12.2019 prepared for the purpose of determining the market value of the hotel and workplace in Adana Province, Seyhan District, Cınarlı Neighborhood, block no: 585, parcel no: 2.

**ZONING STATUS OF
PROPERTY** : According to the examinations carried out in the block no. 585, parcel no.2 subject to the appraisal, remains in the "Trade Area" legend within the scope of the 1 / 1.000 scale Implementation Development Plan approved by Adana Metropolitan Municipality dated 08.05.2006 and numbered 105 and the construction conditions are as follows;

- Building Coverage Ratio (TAKS): 0.40,
- Blok Ordinance Construction,
- 10 floors (Hmax: 30.75 m), Setback distances 10.00 m from the front and back, 10.00 m from the sides and 5.00 m,
- Mania Criteria: 62.20 m.

**VALUATION METHODS
USED** : In this appraisal study, the Income Approach and Cost Approach methods were used because the real estate subject to the appraisal is a commercial property that generates qualified income. The "Land Value" used in the Cost Approach Method has been determined according to the Sales Direct Comparison Method.

CONCUSION OF VALUE :

MARKET VALUE OF THE PROPERTY:	
Report Date	31.12.2019
Valuation Date	25.12.2019
Market Value (VAT Exc.)	59.615.000.-TL
Market Value (VAT Inc.)	70.345.700.-TL
Market Value (VAT Exc.)	8.965.000.-EURO
Market Value (VAT Inc.)	10.578.700.-EURO
Rental Value (VAT Exc.)	2.290.000.-TL
Rental Value (VAT Inc.)	2.702.200.-TL
Rental Value (VAT Exc.)	345.000.-EURO
Rental Value (VAT Inc.)	407.100.-EURO

2 REPORT INFORMATION

VALUE DATE	:	25.12.2019
REPORT DATE	:	31.12.2019
NUMBER OF REPORT	:	2019_AKFENGYO_16
EVALUATION COMPLETION DATE	:	31.12.2019
THE LEGAL AGREEMENT DATE	:	05.10.2019
PURPOSE OF THE REPORT AND THE LOCATION OF THE PROPERTY	:	This report depends on the property which is in Adana Province, Seyhan District, Cınarlı Neighborhood, block no: 585, parcel no: 2. 31.12.2019 real estate valuation report prepared within the scope of CMB regulations in order to determine its value in Turkish Lira.
SUBJECT OF THE VALUATION AND PURPOSE	:	The full address is Cınarlı Neighborhood, Turhan Cemal Beriker Avenue No: 49 / A and 49 / 101 Seyhan / ADANA. The hotel is in Adana province, Seyhan District, Cınarlı Mahallesi, 585 Block, 2 parcel – consisting of independent sections 1 – 2 numbers.
PREPARED BY THE REPORT	:	Ulvi Barkın ŞENSES CMB Licence No: 405898 Real Estate Appraiser
EXPERIENCED (RESPONSIBLE) REAL ESTATE APPRAISER	:	Seref EMEN CMB Licence No: 401584 Topographical Engineer
INFORMATION ON PAST EVALUATION	:	For the real estate subject to the appraisal, our company has a revised appraisal report dated 14.10.2019 on AKFENGYO_2018024.

3 INFORMATION ON REAL ESTATE APPRAISAL COMPANY AND THE CUSTOMER:

COMPANY TITLE	:	ADIM GAYRIMENKUL DEGERLEME A.S.
COMPANY ADDRESS	:	Mebusevler Mahallesi, Ayten Sokak, No: 22/7 Cankaya/ANKARA
CUSTOMER TITLE	:	AKFEN GAYRIMENKUL YATIRIM ORTAKLIGI A.S.
CUSTOMER ADDRESS	:	Buyukdere Caddesi, No: 201, C Blok, Kat: 8, Levent / Istanbul
CONTENT OF THE CUSTOMER CLAIM AND LIMITATIONS OF THE REPORT	:	The content of this Valuation Report: in accordance with the determination of the current market value of the real estate, which are detailed in the report and the preparation of the valuation report within the framework of the "minimum issues to be found in the valuation reports" in accordance with the Capital Market Legislation, there is no scope and limitation brought by the Customer.

4 GENERAL ANALYSIS AND DATA

4.1 ANALYSIS OF THE REGION WITH THE REAL ESTATE AND THE DATA USED:

ADANA PROVINCE

Adana was established on both sides of the Seyhan river, approximately 160 km in the Mediterranean. Located in the coastal population size in terms of Turkey's 6th province. Adana is surrounded by the provincial borders of Kayseri from the north, Niğde from the north west, Icel from the west, Kahramanmaraş and Osmaniye from the east, and Hatay from the southwest.

Adana is reached by the D400 Highway and the international TEM highway. Aksaray from Ankara, 472 km from Pozantı, 873 km from Izmir, Afyon Konya Eregli. Adana can be reached after 909 km from Istanbul, Bolu, Ankara, Aksaray Plaza. The distance to the city center is 5 km. From the bus station, in Turkey there are all the buses instead.

Airline: It is provided from Şakirpaşa Airport. It has a runway suitable for the landing and take-off of any aircraft with a size of 2750 x 45m². Şakirpaşa Airport is open to international traffic. Germany, TRNC directly with scheduled and regular flights. and Arabia to Istanbul and international flights to all countries of the world. In summer, there are charter flights in parallel with the traffic density.

Railway: Adana is connected to Central Anatolia, Antep and Mersin by rail. Adana Train Station is 1 km from the city center.



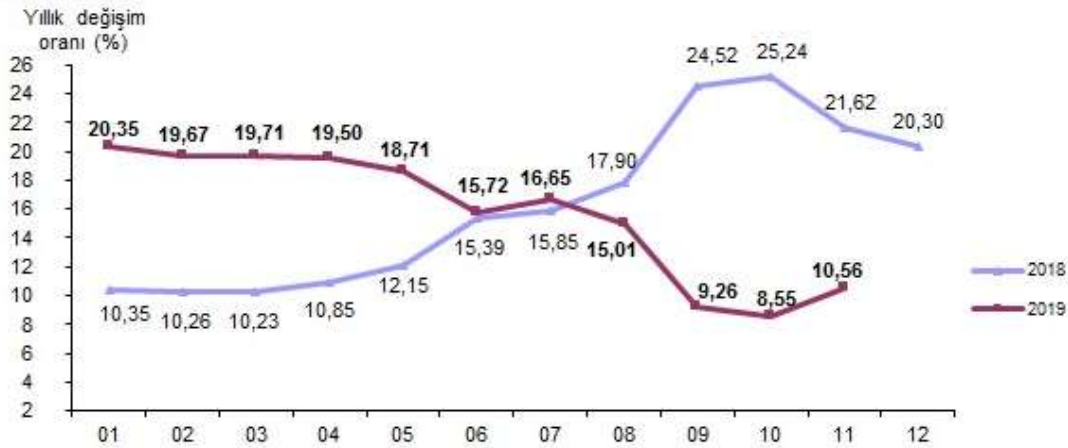
LOCATION OF ADANA

4.2 ANALYSIS OF CURRENT ECONOMIC CONDITIONS, REAL ESTATE MARKET, CURRENT TRENDS AND BASED DATA:

Consumer Price Index, November 2019

Consumer price index (CPI) increased by 0.38% monthly. In CPI (2003 = 100), in November 2019, 0.38% compared to the previous month, 11.01% compared to December of the previous year, compared to the same month of the previous year. 10.56% and 15.87% increase compared to the averages of twelve months. The highest monthly increase was in the clothing and shoes group with 2.69%. , 59, 0.39% in communications, 0.36% in housing and 0.33% in transportation. The group that showed the most monthly decrease was 0.44% in various goods and services. Another group showing restaurants and restaurants was 0.15%. The highest annual increase was in the alcoholic beverages and tobacco group with 43.35%. In CPI, education was 14.35% compared to the same month of the previous year. services 14.03%, health 13.85% and restaurant and ote These are the other main spending groups, where the increase was 13.07%. The special comprehensive CPI indicator (B) increased by 0.59% monthly. 0.59% month-on-month, 10.31% compared with December of the previous year, 9.90% compared with the same month of the previous year and 15.13% on the averages of twelve months. While average prices of 33 items remained unchanged, average prices of 296 items increased and average prices of 89 items decreased.

[2003=100]



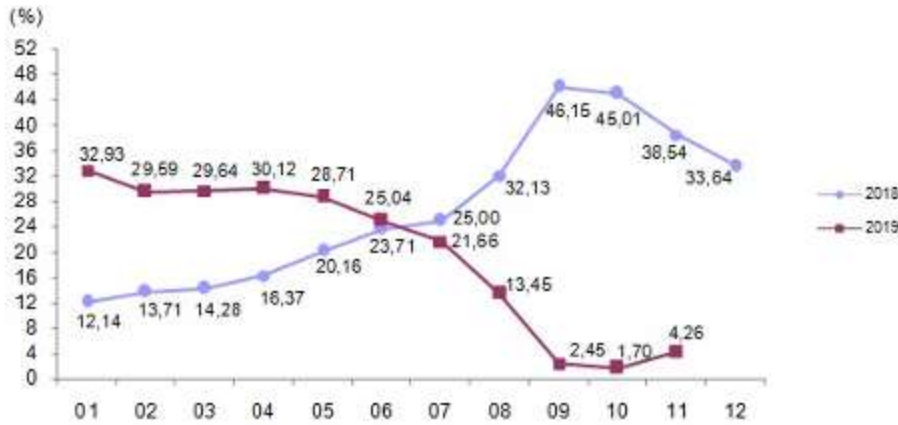
Domestic Producer Price Index, November 2019

Domestic producer price index (D-PPI) decreased by 0.08% in November 2019 compared to the previous month, 6.63% compared to December of the previous year, 4.26% compared to the same month of the previous year and twelve months increased by 19.68% compared to the average of the twelve months.

Domestic Producer Price Index Change Rates, November 2019 [2003 = 100]

	(%)	
	Kasım 2019	Kasım 2018
Bir önceki aya göre değişim oranı	-0,08	-2,53
Bir önceki yılın Aralık ayına göre değişim	6,63	36,68
Bir önceki yılın aynı ayına göre değişim	4,26	38,54
On iki aylık ortalamalara göre değişim	19,68	25,52

Domestic Producer Price Index, Rate of Change compared to the same month of the previous year, November 2019 [2003 = 100]



The changes of the four sectors (mining and quarrying, manufacturing, electricity - gas production and water supply) of the industry compared to the previous month; 0.08% decrease in mining and quarrying industry, 0.04% in manufacturing industry sector, 0.53% decrease in electricity, gas production and distribution sector, 0.19% increase in water supply sector.

Domestic Producer Price Index and Rates of Change, November 2019 [2003 = 100]

Sektörler	Endeks	Aylık değişim (%)	Bir önceki yılın Aralık ayına göre değişim (%)	Bir önceki yılın aynı ayına göre değişim (%)	On iki aylık ortalamalara göre değişim (%)
Yurt içi ÜFE	450,97	-0,08	6,63	4,26	19,68
Madencilik ve taşocakçılığı	584,75	-0,08	12,70	9,93	18,34
İmalat	448,52	-0,04	6,10	4,45	18,24
Elektrik, gaz	415,72	-0,53	13,43	3,82	40,12
Su temini	306,58	0,19	-7,39	-7,51	-2,29

The highest monthly increase was in crude oil and natural gas.

The biggest decrease compared to the previous month; Crude oil and natural gas with 4.85%, basic metals with 1.80%, chemicals and chemical products with 1.39%. On the other hand, other transportation vehicles were 3.48%, food products 1.48%, drinks 1.31%, and sub-sectors with the highest index increase compared to the previous month.

The highest monthly increase in main industry groups was realized in energy.

According to the classification of main industry groups, the highest monthly decrease in November 2019 was in intermediate goods with 0.60%.

Domestic Producer Price Index and Rate of Changes by Main Industry Groups,

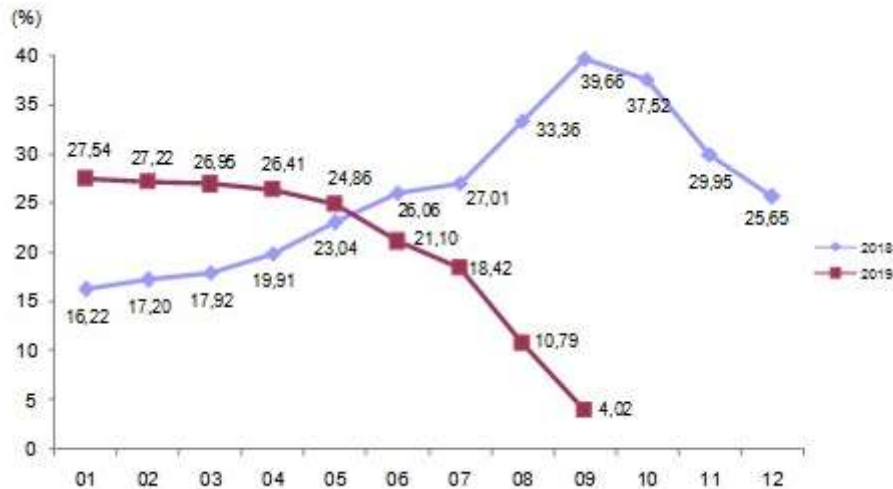
November 2019 [2003 = 100]

Ana sanayi grupları	Endeks	Aylık değişim (%)	Bir önceki yılın Aralık ayına göre değişim (%)	Bir önceki yılın aynı ayına göre değişim (%)	On iki aylık ortalamalara göre değişim (%)
Yurt içi ÜFE	450,97	-0,08	6,63	4,26	19,68
Ara malı	475,25	-0,60	3,54	1,63	18,07
Dayanıklı tüketim malı	321,03	-0,08	7,43	7,34	16,28
Dayanıksız tüketim malı	372,93	1,06	10,57	10,02	19,43
Enerji	633,82	-0,53	9,03	-0,68	27,18
Sermaye malı	396,69	-0,17	7,64	7,38	20,25

Construction Cost Index, September 2019

Construction cost index (IME) decreased by 0.59% in September 2019 compared to the previous month and increased by 4.02% compared to the same month of the previous year. Compared to the previous month, material index decreased by 0.41% and labor index decreased by 0.97%. In addition, the material index decreased by 3.43% compared to the same month of the previous year, and the labor index increased by 24.63%.

Construction Cost Index, Annual Rate of Change, September 2019 [2015 = 100]



Building construction cost index decreased by 0.73% monthly.

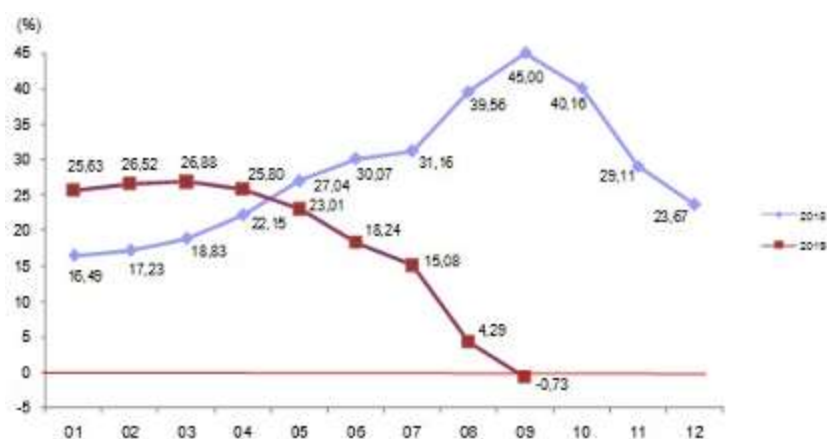
Building construction cost index decreased by 0.73% compared to the previous month and increased by 5.53% compared to the same month of the previous year. Compared to the previous month, material index decreased by 0.61% and labor index decreased by 1.00%. In addition, the material index decreased by 1.78% compared to the same month of the previous year, and the labor index increased by 24.93%.

Building Construction Cost Index, Annual Rate of Change, September 2019 [2015 = 100]



The construction cost index for outdoor buildings decreased by 0.08% compared to the previous month and 0.73% compared to the same month of the previous year. Compared to the previous month, material index increased by 0.25%, labor index decreased by 0.84%. In addition, the material index decreased by 8.44% compared to the same month of the previous year, and the labor index increased by 23.55%.

Construction Cost Index For Outdoor Buildings, Annual Rate of Change, September 2019 [2015 = 100]



Construction Cost Index and Rate of Changes, September 2019 [2015 = 100]

Sektörler	Maliyet grubu	Endeks	Bir önceki aya göre değişim (%)	Bir önceki yılın aynı ayına göre değişim (%)
İnşaat	Toplam	190,23	-0,59	4,02
	Malzeme	183,67	-0,41	-3,43
	İşçilik	205,99	-0,97	24,63
Bina inşaatı	Toplam	190,57	-0,73	5,53
	Malzeme	183,95	-0,61	-1,78
	İşçilik	206,04	-1,00	24,93
Bina dışı yapıların inşaatı	Toplam	189,10	-0,08	-0,73
	Malzeme	182,74	0,25	-8,44
	İşçilik	205,81	-0,84	23,55

Building License (Permit) Statistics, January-September, 2019

The area of buildings that have been granted building licenses decreased by 58% In the first nine months of 2019, the number of buildings by the municipalities has decreased by 57.1%, their area by 58%, their value by 48.9% and the number of apartments by 63.8%. In the January-September 2019 total of the buildings that are given construction permits; While the total area of the buildings is 45.5 million m²; 20.3 million m² of this has been realized as residential, 17.1 million m² as non-residential and 8 million m² as common use area. According to the purpose of use, two and more dwelling residential buildings had the highest share with 26.7 million m². This was followed by public entertainment, education, hospital or care institutions buildings with 5.3 million m². According to the ownership of the building, the private sector had the biggest share with 33.2 million m². This was followed by the state sector with 11.2 million m² and building cooperatives with 1.1 million m². According to the number of flats, 155 thousand 469 of the total 179 thousand 766 flats were taken by the private sector, 21 thousand 985 by the state sector and 2 thousand 312 by the building cooperatives. According to the total area of the buildings, Istanbul had the highest share with 7.5 million m². Istanbul was followed by Konya with 2.9 million m² and Ankara with 2.88 million m². The provinces with the lowest surface area were Karabük, Ardahan and Çankırı, respectively. According to the number of flats, Istanbul province had the highest share with 33 thousand 538 units. Konya was followed by Konya with 9,702 units and Ankara with 7,768 units. The provinces with the lowest number of apartments were Karabük, Ardahan and Hakkari, respectively.

Building License, January - September, 2017-2019

Yapı ruhsatı, Ocak – Eylül 2017-2019

Göstergeler	Yıl			Bir önceki yılın ilk dokuz ayına göre değişim oranı (%)	
	2019	2018 ^(r)	2017 ^(r)	2019	2018
Bina sayısı	33 684	78 567	132 848	-57,1	-40,9
Yüzölçümü (m ²)	45 462 953	108 131 393	240 377 041	-58,0	-55,0
Değer (TL)	73 076 653 018	142 932 303 742	257 971 463 093	-48,9	-44,6
Daire sayısı	179 766	497 146	1 199 028	-63,8	-58,5

(r) Yapı izin istatistikleri 2017 ve 2018 yılları verileri revize edilmiştir.

In the first nine months of 2019, the number of building permits issued by the municipalities decreased by 20.6%, the surface area by 7.2%, the number of apartments by 11.3%, and its value increased by 12.3% compared to the previous year. In the January-September 2019 total of the buildings that have been given a building permit certificate; While the total area of the buildings is 111.4 million m²; 62.7

million m² of this was realized as residential, 25.4 million m² as non-residential and 23.2 million m² as common use area. According to the purpose of use, two and more dwelling residential buildings had the highest share with 84.1 million m². Wholesale and retail trade buildings followed with 7.7 million m². According to the ownership of the building, the private sector had the biggest share with 94.2 million m². This was followed by the state sector with 15 million m² and building cooperatives with 2.2 million m². According to the number of flats, 492 thousand 287 of 543 thousand 801 flats were taken by the private sector, 42 thousand 662 by the state sector and 8 thousand 852 by the building cooperatives. According to the total area of the buildings, Istanbul had the highest share with 20.3 million m². Ankara was followed by Ankara with 10.8 million m² and Bursa with 4.8 million m². The provinces with the lowest surface area were Ardahan, Tunceli and Batman, respectively. According to the number of flats, Istanbul province had the highest share with 106 thousand 637 units. Ankara was followed by Ankara with 39 thousand 510 units and İzmir with 29 thousand 235 units. The provinces with the lowest number of apartments were Ardahan, Batman and Bayburt, respectively.

Occupancy (Building Use) Permit, January - September, 2017-2019

Göstergeler	Yıl			Bir önceki yılın ilk dokuz ayına göre değişim oranı (%)	
	2019	2018 (r)	2017 (r)	2019	2018
Bina sayısı	70 329	88 534	83 313	-20,6	6,3
Yüzölçümü (m ²)	111 353 391	119 968 656	114 301 027	-7,2	5,0
Değer (TL)	180 924 705 654	161 059 112 111	120 880 724 130	12,3	33,2
Daire sayısı	543 801	613 370	575 893	-11,3	6,5

(r) Yapı izin istatistikleri 2017 ve 2018 yılları verileri revize edilmiştir.

Global Economic Outlook

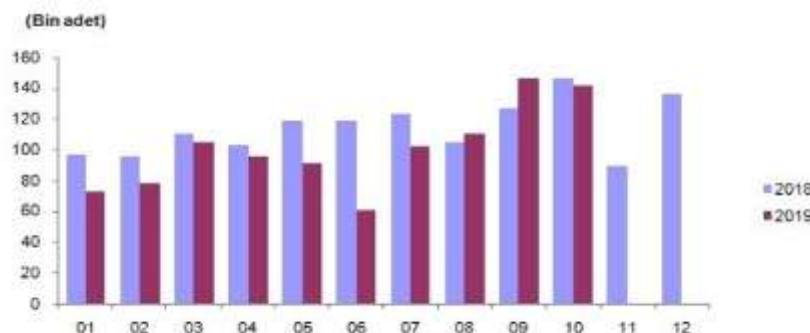
The slowdown and uncertainty in global growth continues. Increasing tension and geopolitical tensions in trade wars, as well as deterioration in investment, production and confidence indicators are driving global growth down. However, the fact that central banks of developed and developing countries regard anti-slowdown practices reduces their global recession expectations. In the second quarter of 2019, the rise in concerns about global trade, the emergence of the Middle East geopolitical risks and the slowdown in the global scale, especially in the manufacturing industry sector, which affected the economic activity negatively, increased the downward risks regarding the growth outlook for the rest of the year. The IMF published the October 2019 issue of the Global Economic Outlook Report with the title of “Decline Period of Global Manufacturing, Increasing Trade Barriers”. According to the July update, the IMF reduced its global economic growth forecast to 0.2 percent for 2019, down to 3 percent for 2019 and to 3.4 percent for 2020, according to the July update. In the report, which draws attention to the pressure created by trade wars on global economic growth, the report emphasized that the global economy is facing synchronous slowdown and that the global growth forecast for 2019 is revised downwards for this reason. Structural factors such as commercial and geopolitical high uncertainties, special factors of some emerging economies cause macroeconomic pressure, low productivity growth and aging population in developed economies are shown as other factors affecting the low growth of the global economy. According to the IMF report, the growth forecast for developed countries was reduced from 1.9 percent to 1.7 percent in 2019, while it remained at 1.7 percent for 2020. In developing economies, the growth forecast has been reduced from 4.1 percent to 3.9 percent for 2019 and from 4.7 percent to 4.6 percent for 2020. In 2019 and 2020, the growth estimates of Turkey's economy has been increased to 3 percent, respectively, 0.2 percent and minus 2.5 percent from 2.5 percent. Trade wars started August with high blood pressure, and tensions

gradually increased. Despite the fact that the Shanghai talks between China and the USA were terminated at the beginning of August, Trump accused China of not wanting to buy US agricultural goods and putting the USA in a disadvantage. Donald Trump announced that a 10 percent additional tax will be imposed on the \$ 300 billion product imported from China, effective from September 1. He also stated that they will start taxing 15% of the Chinese product, which is currently worth 10% tax, of \$ 300 billion as of September 1. In the FOMC meeting held on September 17-18, 2019, the Federal Reserve (Federal Reserve) reduced the policy rate by 25 basis points to 1.75-2.00 percent in line with market expectations. According to updated projections, the median expectation for 2019 in policy rate fell from 2.4% to 1.9%, while the expectation for 2020 decreased from 2.1% to 1.9%. FED members' 2019 growth forecast increased from 2.1% to 2.2% while 2020 forecast was preserved at 2%. Personal consumption expenditure inflation estimates; 1.5% for 2019 and 1.9% for 2020. In the text of the decision; It was emphasized that economic activity continues to grow at a moderate pace and the labor market is strong. Despite that; it is mentioned that fixed capital investments and exports have weakened. In the statements made by FED President Powell after the meeting, it was stated that FED lowered interest rates to provide insurance in spite of weak global growth and trade tensions. Powell also stated that a more comprehensive reduction process might be appropriate if there are economic difficulties, while they noted that they could achieve the targets 5 with moderate adjustments in interest rates in the course of the economy. FED President Powell's implication that the continuation of the interest rate cut might not come was effective in the markets.

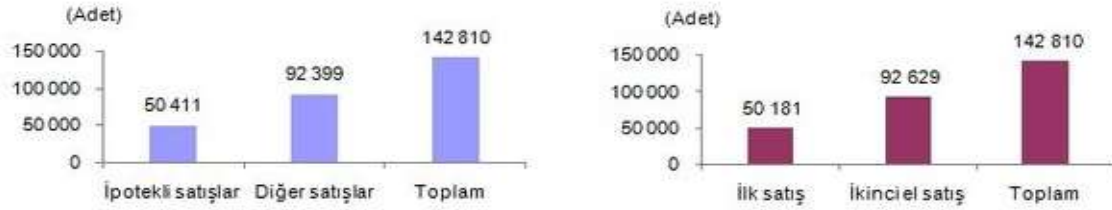
Housing Sales Statistics, October 2019

Housing sales in Turkey decreased by 2.5% compared to the same month of the previous year in the month of October 2019 was 142 810. In house sales, Istanbul had the highest share with 24.451 house sales and 17.1%. According to sales numbers, Istanbul was followed by Ankara with 13.978 house sales and 9.8% share, İzmir with 9.012 house sales and 6.3% share. The provinces with low house sales were Hakkari with 13 houses, Ardahan with 24 houses and Bayburt with 93 houses, respectively.

Housing Sales Numbers, 2018-2019



Mortgage sales in Turkey increased by 50 411 was 525.1% compared to the same month of the previous year. The share of mortgage sales in total house sales was 35.3%. In mortgage sales, Istanbul ranked first with 8 408 house sales and 16.7% share. The province with the highest share of mortgage sales in total house sales was Artvin with 54.3%. Other housing sales across Turkey became 92,399 decreased by 33.3% compared to the same month of the previous year. In other housing sales, Istanbul ranked first with 16,043 housing sales and 17.4% share. The share of other sales in total housing sales in Istanbul was 65.6%. Ankara ranked second with 7,875 other housing sales. Ankara was followed by İzmir with 5,344 sales. Hakkari was the province with the lowest sales of 10 other houses.



Sale of Housing by Sales Type, October 2019 - Housing Sales by Sales Situation, October 2019

50.181 HOUSES ARE SOLD IN THE FIRST TIME.

Turkey Number of houses sold decreased 32.9% for the first time in general was 50.181 compared to the same month of the previous year. The share of the first sale in total house sales was 35.1%. In the first sales, Istanbul had the highest share with 8.988 houses and 17.9%, followed by Ankara with 3.683 houses and İzmir with 2.967 houses.

92.629 HOUSES HAVE BEEN CHANGED IN THE SECOND HAND HOUSING SALES.

Second-hand housing sales in Turkey became 92.629 increased 29.2% compared to the same month of the previous year. In second-hand house sales, Istanbul ranked first with 15.463 house sales and 16.7% share. The share of second-hand sales in total house sales in Istanbul was 63.2%. Ankara ranked second with 10.295 housing sales. Ankara was followed by İzmir with 6.045 houses sold.

SALE OF 4.272 HOUSES TO FOREIGNERS IN OCTOBER 2019.

Housing sales to foreigners decreased by 31.9% compared to the same month of the previous year and became 4.272. In October 2019, Istanbul ranked first in housing sales to foreigners, with 2.043 sales. Istanbul was followed by Antalya with 912 sales, Bursa with 215 sales, Ankara with 192 sales and Yalova with 134 sales, respectively.

BY COUNTRY NATIONALS, THE MOST HOUSING SALES WERE MADE TO IRAQI CITIZENS.

Iraqi citizens in Turkey from 597 in October bought it. Iraq was followed by Iran with 536 houses, the Russian Federation with 292 houses, Germany with 225 houses and Afghanistan with 185 houses.

Reference: Central Bank of Turkey Republic, Turkish Statistical Institute.

5 INFORMATION ABOUT REAL ESTATE OF VALUATION SUBJECT

5.1 THE PLACE AND LOCATION OF REAL ESTATE

Full address of the property: Turhan Cemal Beriker Bulvarı No: 49 / A and No: 49/101 Seyhan / Adana.

In order to reach the real estate subject to the appraisal, it is proceeded east on the Turhan Cemal Beriker Boulevard. The real estate subject to the appraisal is located on the right approximately 200 meters after passing Seyhan Municipality. Seyhan district is one of the central districts of Adana province. Çınarlı Mahallesi is a neighborhood with important transportation axes and an intensive development of trade function. In the immediate vicinity of the real estate subject to the appraisal, there are Seyhan Municipality and Seyhan Cultural Center, as well as hotels and business centers.



Distances To Some Important Centers

Place	Distance
Seyhan Municipality-----	0,20 km.
Adana Governorship-----	1,20 km.
Adana Şakirpaşa Airport-----	2,50 km.
Adana Central Bus Station-----	5,00 km.

5.2 DESCRIPTION AND PROPERTIES OF REAL ESTATE

The real estate subject to the appraisal; is a hotel with 1 independent section number and 2 independent sections located in the main real estate owned by the "11-Floor Reinforced Concrete Hotel and Land", which is registered in Adana Province, Seyhan district, Çınarlı Mahallesi 585 block, 2 parcel.

Çınarlı Mahallesi, where the real estate subject to the appraisal is located, is a neighborhood with commercial functions. In addition, the hotels in Seyhan mostly chose places in this region. The parcel with the aforementioned properties has a facade to the junction. It has high visibility and advertisement-signing capability.

The main real estate located on the parcel no. 585, parcel no.2; consists of 11 floors, 2 basement floors, ground floor and 8 normal floors.

According to the architectural renovation project dated 09.12.2011, which has been examined at the Seyhan Land Registry Office, the real estate consists of 2 independent sections, 1 hotel with an independent section and 2 offices with an independent section. On the 2nd basement floor, a parking lot with a capacity of 15 vehicles, a welcoming hall, 2 water tanks and a pump room; On the 1st

basement floor, there is a parking lot with a capacity of 17 vehicles, personnel rooms, technical rooms, laundry room and independent section no. technical rooms, entrance hall and independent section 2, belonging to the independent section 1 on the ground floor; Lobby, administrative rooms, restaurant, kitchen, meeting room, technical rooms, terrace as a continuation of the independent section no. On the second floor, there are 3 meeting rooms, foyer, technical rooms and 15 hotel rooms as a continuation of the independent section no.1; on the other normal floors, there are technical rooms and 25 hotel room areas as a continuation of the independent section no. The 'hotel' qualified property number 1 independent from the real estate subject to the appraisal has a total of 165 rooms. There are 5 elevators in the hotel area, 2 service elevators, 2 guest elevators and 1 parking elevator. Luxury building materials were selected in the hotel construction and sound insulation was provided. The hotel building also has an automation system, fire spring line, fire escapes. The interior furnishing of the independent section no. 2 has not been completed yet and the outer facade is covered with glass. During the meetings with company officials, it was learned that the interior features of the workplace will be made by the person / institution to be rented and delivered without any interior furnishing. For this reason, the real property has been accepted as 100% construction level.

In the examinations made at the location of the real estate subject to the appraisal, it was determined that they are compatible with the architectural project approved in terms of area and location. Open areas of the facility are partially evaluated as green areas and open parking areas.

Independent section 1 is operated as a hotel as of the valuation date. Independent section no. 2 is empty as of the valuation date.

Akfen GYO Adana İbis Hotel Approved Architectural Project Floor Areas		
Independent Section Numbers	Floors	Area (m ²)
Building Common Places	2. Basement Floor	1.149,66
	1. Basement Floor	1.052,83
Common Area Total		2.202,49
	Ground Floor	263,08
	1. Normal Floor	853,47
	2. Normal Floor	853,47
	3. Normal Floor	693,76
	4. Normal Floor	693,76
1 No. Independent Section	5. Normal Floor	693,76
	6. Normal Floor	693,76
	7. Normal Floor	690,53
	8. Normal Floor	690,53
1 No. Independent Section Total		6.126,12
2 No. Independent Section	1. Basement Floor	96,83
	Ground Floor	622
2 No. Independent Section Total		718,83
TOTAL AREA		9.047,44

5.2.1 STRUCTURAL CONSTRUCTION FEATURES OF THE REAL ESTATE:

Construction Type	Reinforced Concrete Frame
Construction Form	Block Construction
Number of Floors in the Building	Hotel; 11 Floors (2 - Basement + Ground + 8 Normal Floor)
Total Construction Area	6.126,12 m ² (Independent part no.1) 718,83 m ² (Independent part no. 2) (According to legal and current situation)
Age	6
Facade	Sinterfileks coating material, exterior paint, glass coating
Electricity / Water / Drainage	Infrastructure
Heating System	Central Heating
Cooling System	Available
Elevator	Available
Generator	Available
Fire Escape	Available
Car Park	Available (Open and closed parking lot)

Findings in the Neighborhood of the Real Estate

Purpose of usage	Hotel (independent section no. 1) (According to legal and current situation)
	Workplace (Independent part no.2) (According to the legal and current situation)
Area	6.126,12 m ² (Independent part no.1) (According to the legal and current situation) 718,83 m ² (Independent part no. 2) (According to the legal and current situation)
Floor	Laminate flooring, ceramics and concrete (Independent section 1) Concrete (Independent section 2)
Wall	Wallpaper and wall paint, decorative material (independent section 1) Plastic paint on plaster and glass wall (independent section 2)
Ceiling	Plasterboard suspended ceiling and concrete (Independent section 1) Plastic paint on plaster (Independent section 2)
Lighting	Spot lighting and fluorescent

5.3 LEGAL REVIEWS OF THE REAL ESTATE:

5.3.1 ANALYSIS OF TITLE DEED

5.3.1.1 TITLE DEED REGISTRATION

MAIN REAL ESTATE TITLE INFORMATION	
PROVINCE	: ADANA
TOWN	: SEYHAN
NEIGHBORHOOD / VILLAGE	: CINARLI
SITE	: -
MAP NO	: -
BLOCK NO	: 585
PLOT NO	: 2
AREA	: 2.213,00 m ²
MAIN REAL ESTATE QUALITY	: 11 Floor - Reinforced Concrete Hotel and Land.

The list of property ownerships is as follows;

INDEPENDENT PART	BAĞIMSIZ BÖLÜM NİTELİĞİ	FLOORS	LAND SHARE	OWNER	SHARE
1	Hotel	Ground+1+2+3+4 + 5 + 6 + 7 + 8	2054/2213	Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.	Complete
2	Workplace	Ground + 1. Basement	159/2213	Akfen Gayrimenkul Yatırım Ortaklığı A.Ş.	Complete

5.3.1.2 LIMITS ON DETAIL INFORMATION AND TRANSFER

The study of the valuation specialist to examine the title deeds is carried out to identify the rights that constitute the property of the real estate and the restrictions on these rights.

According to the approved encumbrance document received as of 13.11.2019 from the Seyhan Land Registry Directorate, the following encumbrance records are on the real estate subject to the appraisal;

For independent sections 1 and 2;

In the Declarations House;

- Management Plan: 22.10.2012 (with journal no. 33811 of 23.10.2012)

In House of Pledges;

- Credit Bank Europe N.V. In favor of the first degree mortgage with a price of 173.052.185,00.-Euro, 7.2% variable interest rate (3407 journal no. 28.01.2015)

- Credit Bank Europe N.V. In favor of 2nd degree mortgage with a price of 173.052.185,00.-Euro 7.2% variable interest (3407 journal no. date of 28.01.2015)

The Appraisal Regarding the Legal Status of the Properties and Related Rights:

It has been determined that mortgages on the real estate subject to the appraisal are established for the purpose of project financing. The official letter dated 30.12.2019 on the mortgage is included in the appendix and there is no legal process that would adversely affect the value of the real estates.

Opinion on the Transfer of the Real Estate Subject to the Appraisal:

There is no restriction on the transfer of property in the encumbrance records of the real estate subject to the appraisal.

Opinion on the Impact of the Custody Information on the Value of Real Estate:

The statements and mortgages on the real estate subject to the appraisal have no effect on the value of the real estate.

* Detailed information about the mortgages in question is provided in the report annex.

TAPU KAYIT ÖRNEĞİ

Kayıt Oluşturan: MUHARREM DEMİRTAN

Tarih: 13/11/2019 18:59

Makbuzat No	Doküman No	Beyan No
183919738455	20191113-1775-F01009	73845
Taşınmaz Tipi:	Bağınmaz Bölüm	Ada / Parsel:
Taşınmaz ID:	79119544	AT Yüzölçümü (m²):
İl / İlçe	ADANA/SEYHAN	Taşınmaz Niteliği:
Kurum Adı:	Seyhan TM	Blok/Kat/Giriş/BBN:
Mahalle / Köy Adı:	ÇINARLI	Bağınmaz Bölüm Tipi:
Mevki:		Araç Pay / Payda
Cik / Sayfa	36/3547	Ana Taşınmaz Nitelik
Kayıt Durum:	Akış	Ana Taşınmaz Cik / Sayfa

Ana Taşınmaz (Şerh / Beyan / İrtifak)

Tip	S.B.İ. Metin	Malik/Lehler	Teslim İşlem	Terklin İşlem
Beyan	Yönetim Planı : 22/10/2012		Seyhan TM Yönetim Planı Belirtmesi Tesisi Yev: 33811 Tarih: 23/10/2012	

Taşınmaz (Şerh / Beyan / İrtifak)

Tip	S.B.İ. Metin	Malik/Lehler	Teslim İşlem	Terklin İşlem
Beyan	Yönetim Planı : 22/10/2012		Seyhan TM Yönetim Planı Belirtmesi Tesisi Yev: 33811 Tarih: 23/10/2012	

Mülkiyet

Sistem No	Malik	Tip / İrtifak No	Pay / Payda	Teslim İşlem	Terklin İşlem
224312381	(SN:5822770) AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ VKN:0340051780	Paylı Mülkiyet /	1 / 1	Seyhan TM Kat Mülkiyeti Tesisi Yev: 33811 Tarih: 23/10/2012	

1 / 2

Rahin

Miktar	Faiz	Derece / Sıra	Vade	SDF / Halka	Alacaklı	Teslim İşlem	Terklin İşlem
173.052.185,00 EUR	%7,2 değişik en	1/0	F.B.K.	Yok	(SN:4805108) CREDİT EUROPE BANK N.V. VKN:	Osmangazi TM İpotek Tesisi Yev: 3407 Tarih: 28/01/2015	
173.052.185,00 EUR	%7,2 değişik en	2/0	F.B.K.	Var	(SN:4805108) CREDİT EUROPE BANK N.V. VKN:	Osmangazi TM İpotek Tesisi Yev: 3407 Tarih: 28/01/2015	

TAPU KAYIT ÖRNEĞİ

Kayıt Okutunan: MUHARREM DEMİRTAN

Tarih: 13/11/2019 18:57

MektupNo	DokümanNo	BeyanNo
183919738465	20191113-1775-F01070	73846
Taşınmaz Tipi	Bağımsız Bölüm	Ada / Parsel:
Taşınmaz ID:	79119645	AT Yüzölçümü (m²):
İl / İlçe	ADANA/SEYHAN	Taşınmaz Niteliği:
Kurum Adı:	Seyhan TM	Blok/Kat/Giriş/SBNo:
Mahalle / Köy Adı:	CINARLI	Bağımsız Bölüm Tipi:
Mevki:		Arsa Pay / Payda
CR / Sayfa	36/3548	Ana Taşınmaz Nitelik
Kayıt Durum:	Aktif	Ana Taşınmaz CR / Sayfa

Ana Taşınmaz (Şerh / Beyan / İrtifak)

Tip	S.B.İ. Metin	Malik/Lehtar	Teslim İşlem	Tarikh İşlem
Beyan	Yönetim Planı : 22/10/2012		Seyhan TM Yönetim Planı Belirtmesi Tesisi Yev: 33811 Tarih: 23/10/2012	

Taşınmaz (Şerh / Beyan / İrtifak)

Tip	S.B.İ. Metin	Malik/Lehtar	Teslim İşlem	Tarikh İşlem
Beyan	Yönetim Planı : 22/10/2012		Seyhan TM Yönetim Planı Belirtmesi Tesisi Yev: 33811 Tarih: 23/10/2012	

Mülkiyet

SistemNo	Malik	Tip / İrtifakNo	Pay / Payda	Teslim İşlem	Tarikh İşlem
224312382	(SN:5822770) AKFEN GAYRİMENKUL YATIRIM ORTAKLIĞI ANONİM ŞİRKETİ VKN:0340051780	Paylı Mülkiyet /	1 / 1	Seyhan TM Kat Mülkiyeti Tesisi Yev: 33811 Tarih: 23/10/2012	

1 / 2

Rahin

Miktar	Faiz	Derece / Sıra	Vade	SDF Hakkı	Alacaklı	Teslim İşlem	Tarikh İşlem
173.052.185,00 EUR	%7,2 değişik en	1/0	F.B.K.	Yok	(SN:4805108) CREDIT EUROPE BANK N.V. VKN:	Osmangazi TM İpotek Tesisi Yev: 3407 Tarih: 28/01/2015	
173.052.185,00 EUR	%7,2 değişik en	2/0	F.B.K.	Var	(SN:4805108) CREDIT EUROPE BANK N.V. VKN:	Osmangazi TM İpotek Tesisi Yev: 3407 Tarih: 28/01/2015	

Changes in the Land Registry of the Real Estate in the Last Three Years

According to the examinations carried out in Seyhan Land Registry Directorate in Adana province, the subject of appraisal has not been subject to the transactions made in the last 3 years belonging to 585 Block, 2 parcel number.

Opinion on the Transfer of the Real Estate Subject to the Appraisal:

There is no restriction on the transferability of the real estate subject to the appraisal.

Opinion on the Impact of the Custody Information on Value:

The encumbrance records regarding the real estate subject to the appraisal have no effect on the value of the real estate.

5.3.2 MUNICIPAL REVIEW

5.3.2.1 ZONING STATUS

Zoning regulations regulate land use and intensity of development. While examining the zoning regulations, all possible changes in current regulations and specifications are taken into account. Zoning plans define the general use such as residential, commercial and industrial and indicate the density of the structure that can be made based on these uses.

According to the information obtained as a result of the examinations carried out in Seyhan Municipality on 25.12.2019 and the zoning status document in the annex, the zoning status information of the main property subject to the appraisal is given below. Since the 1 / 5.000 scale Master Development Plan was renovated after the 1 / 1.000 scale Implementation Development Plan, the information for both plans was shared below. The aforementioned renovation did not change the 1 / 1.000 scale plan and the plan is up to date.

Plan Name: 1 / 5.000 scale Master Plan

Plan Approval Date: With the approval of Metropolitan Municipality Council dated 40.02.2013 and numbered 40

Legend: CBD (Central Business Area)

Plan Name: 1 / 1.000 scale Implementation Development Plan

Plan Approval Date: with the approval of the Metropolitan Municipality Council on 10.06.2010

Legend: Trade Area

Construction Conditions:

- Building Coverage Ratio (TAKS) : 0.40,
- Block Ordinance Construction,
- 10 Floors (Hmax: 30.75 m),
- Setback distances 10.00 m from the front and back, 10.00 m from the sides and 5.00 m,
- Mania Criteria: 62.20 m.





5.3.2.2 BUILDING LICENCE DOCUMENTS REVIEW

According to the examinations carried out in Seyhan Municipality on 25.12.2019, the legal documents pertaining to the real estate subject to the appraisal are stated in order.

There is an “**Approved Architectural Project**” prepared for the 285.2011 approval date, 9.047,00 m² closed area for the parcel no.

- For the parcel no.555, numbered 2, the closed area of 12.12.2010 dated and dated 01.12.2010 (9.447,00 m² closed area (5.911,00 m² hotel and similar guest houses, 622,00 m² workplace in the building and 2.514, 00 m² common area) "**Building License**" is given for renovation purposes.

There is a “**Building Use Permit Certificate**” for the block no.585, parcel no.2, dated 25.04.2012.

Building Inspiration:

The real estate subject to the appraisal is subject to the Law No. 4708 on Building Inspection dated 29.06.2001, and the building inspection within the scope of the building license dated 01.12.2010. Güzelyalı Neighborhood, 81106 Street No: 4 Cukurova / ADANA operating under the full address 7230385759 tax identification number Pegasus Yapi Auditing Ltd. Sti. made by.

5.3.2.3 COUNCIL / COURT DECISIONS, PLAN CANCELLATIONS AND OTHER SIMILAR SUBJECTS

There is no committee decision in the zoning file of the real estate subject to the appraisal.

5.3.3 CHANGES FROM THE LEGAL SITUATION IN THE LAST 3 YEARS

No changes related to the real estate subject to the appraisal have been detected due to the legal situation in the last 3 years.

Opinion on whether there is an obstacle in the framework of Capital Market Legislation in the Inclusion of Real Estate Investment Trusts Portfolio in Terms of Zoning Information

Since all permits and documents required to be obtained in accordance with the legislation of the existing facilities on the parcel have been received in full and flawlessly, it is okay to include them in the Real Estate Investment Trust portfolio within the framework of the Capital Market Legislation.

6 VALUATION STUDIES

6.1 FACTORS AFFECTING THE REAL ESTATE'S VALUE AND VALUE DETERMINATION OF THE REAL ESTATE

As valuation technique, there are 3 basic methods used in Turkey and international platform. These are Cost Approach, Sales Comparison Approach and Income Capitalisation Approach.

COST APPROACH: In this method, the cost of reconstruction of an existing building under today's economic conditions is considered the basis for the valuation of the real estate. In this sense, the main principle of the cost approach can be explained by the usage value. The value of use is defined as "The property has a real value even if nobody wants it or knows its value".

In this method, real estate is considered to have an important remaining economic life expectancy. For this reason, it is assumed that the value of the real estate will decrease over time due to its physical and functional and economically obsolete. In other words, it is assumed that the building value of an existing real estate can never be more than the cost of reconstruction.

SALES COMPARISON APPROACH: The most reliable and realistic approach to real estate valuation in the business type is the market value approach. In this valuation method, comparable examples with common basic properties and the real estate to be valued in the region are examined. The peer comparison approach is based on the following assumptions.

- The existence of an existing market is accepted in advance in relation to the type of real estate analyzed.
- It is accepted that buyers and sellers in this market have a good level of knowledge about real estate and therefore time is not an important factor.
- The real estate is considered to remain in the market for a reasonable time with a reasonable sales price.
- Selected comparable samples are considered to have the basic characteristics common to the appraised real estate.
- Today's socio-economic conditions are accepted to be valid in making price corrections of the data of selected comparable samples.

INCOME APPROACH: If the value of the assets can only be determined according to the income they will bring - for example, in rental houses or workplaces - it is the rule to apply the income method to find the version fees. The criteria is the net income that can be obtained in determining the value of a real estate that has a structure with the income method. This net income; the building consists of other structural facilities and landshares related to the building. Despite the possibility of using the land continuously, the period of using a building is limited. Therefore, in determining the monetary value of the net income, the values of the land, structure and other structural facilities related to the structure are determined in separate sections.

Net income is found by deducting income and operating expenses from the annual operating gross income of the income-generating real estate and the real estate being empty. Net income consists of building income and land income. Land income refers to the income that the land value will bring at the real estate interest rate valid in the real estate market in the region. Building income is the sum of the income generated by the building in the real estate rate of the real estate in the region throughout the remaining usage period and the annual depreciation amount to be allocated based on the remaining usage period of the building.

6.2 THE FACTORS AFFECTING THE VALUATION PROCESS

There are no factors that negatively affect the valuation process.

6.3 THE FACTORS AFFECTING THE VALUE OF THE REAL PROPERTY

FACTORS AFFECTING THE POSITIVE DIRECTION

- The properties are located in the central location.
- The construction materials used in the properties are qualified.
- There are approved architectural projects, building permits and building occupancy permits for the real estate subject to the appraisal.
- In the immediate vicinity, there are commercial properties and hotels that are mostly used for commercial purposes.
- Its visibility and advertisement capability is high.
- The street where the real estate subject to the appraisal is located is one of the important axes of the region and its commercial potential is high.
- The hotel subject to the appraisal is one of the chain hotels of the brand that provides the same standards all over the world.

FACTORS AFFECTING THE NEGATIVE DIRECTION

- The reception of the hotel is located on the upper floor due to the presence of a workplace on the ground floor of the independent section no.
- The commercial visibility and perceptibility of the real estate property number 2 independent from the real estate subject to the appraisal is low.
- There are hotels in a similar concept close to the real estate subject to the appraisal.
- Sales transactions in the tourism sector are generally based on dollar and euro. Today, fluctuations in exchange rate / TL conversions can create a decrease in sales values in foreign currency.

6.4 ASSUMPTIONS, VALUATION METHODS USED IN THE EVALUATION PROCESS AND THE REASONS FOR USING THESE METHODS

In this appraisal study, the cost approach and the income approach are considered feasible in line with the market research conducted.

Market Approach - Definition of Similar Sales and Rent Samples Based on Valuation and Sales - Rental Prices and Reasons for Choosing These Prices.

As a result of the researches carried out in the close vicinity of the real estate, the following peer information that can be a reference to the real estate has been reached.

6.5 MARKET RESEARCH AND INDICATIONS FOR VALUE DETERMINATION RENT PRECEDENTS:

Land Precedents / Sales

No	Location	Legend	Structure Right	Sales Situation	Area (m ²)	Sales Price	Unit Value TL/m ²	Evaluation by Subject Property
1	West of the real estate, close to the real estate subject to the appraisal	Trade Area	E=2	For Sale	1250	7.000.000	5.600	*Land area is smaller than the real property subject to appraisal. *It is located approximately 500 m. from the main street and in a worse position.
2	Street front, close to the real estate subject to the appraisal	Trade Area	E=2.50	For Sale	4.000	30.000.000	7.500	*It has a street front and is in a better position. *It has a larger area.
3	The real estate subject to the appraisal is in a close position	Trade Area	E=2.50	For Sale	1000	6.350.000	6.350	*Avenue is fronted and in a similar position. *It has smaller area.
4	The real estate subject to the appraisal is in a close position	Trade Area	E=2.40	For Sale	1.150	6.500.000	5.652	*It is in a worse position. *It is a shared parcel.
5	The subject of the appraisal is close to the real estate	Trade Area	E=1.60	For Sale	1500	7.500.000	5.000	*It is in a worse position. *The right of construction is low.

Evaluation : * The net unit sales value of the land is 5,000-7,500 TL / m², considering the zoning status, areas, road frontage, areas, topographic structures, restriction factors of the lands that have a similar development legend as a result of the researches conducted in the vicinity of the region where the real estate subject to the appraisal is located. It has been determined that it may be in TL / m² range.

REFERENCE TABLE							
Purchase-Sale Corrections	Factors		Comparable Properties				
			1	2	3	4	5
	Unit Price (TL / m ²)		5.600	7.500	6.350	5.652	5.000
	Negotiable Share		-5%	-10%	-5%	-5%	-5%
	Property Status		0%	0%	0%	0%	0%
	Terms of Sale		0%	0%	0%	0%	0%
	Having License		0%	0%	0%	0%	0%
	Market Conditions		0%	0%	0%	0%	0%
Corrections For Real Estate	Location		15%	-5%	0%	10%	25%
	Right to Build		0%	0%	0%	5%	20%
	Area		-5%	20%	5%	5%	0%
	Physical characteristics		0%	0%	0%	0%	0%
	Legal Features		0%	0%	0%	0%	0%
ADJUSTED VALUE			5.812	7.695	6.335	6.496	7.125

• **Professional Appreciation of the Appraiser:**

While the value of the real estate subject to the appraisal is appreciated; Legal and technical features of the property, information about similar properties, location, transportation, environmental features, infrastructure, SWOT analysis and economic situation of the country were taken into consideration.

In the market approach, the positive and negative properties of the peers, which were reached as a result of the researches, were evaluated according to the property, based on all the researches and experiences in the region; The value appraisal for the real estate was made as follows.

LAND VALUE			
Block / Parcel	Area (m ²)	Unit Value (TL/m ²)	Land Value (TL)
585 Block 2 parcel	2.213,00	7.260	16.066.380
TOTAL VALUE			16.065.000

6.6 COST APPROACH

In this analysis, with the building cost values, cost formation approach; Our sectoral experiences regarding the technical features of the buildings, the quality of materials and workmanship used in the construction of the buildings, the construction costs of the buildings built with the same features in the market, and similar hotel costs are taken into consideration.

LAND VALUE			
Block / Parcel	Area (m ²)	Unit Value (TL/m ²)	Land Value (TL)
585 Block 2 parcel	2.213,00	7.260	16.066.380
TOTAL VALUE			16.065.000

BUILDING VALUE				
Building	Building Area (m ²)	Unit Cost (TL/m ²)	Depreciation (%)	Building Value (TL)
Hotel	6.126	5000	10%	27.567.000
Workplace	719	2500	10%	1.617.750
Parking Garage + Technical Areas + Common Areas	2.202	2250	10%	4.459.050
TOPLAM YAKLAŞIK DEĞERİ				33.643.800

THE VALUE OF THE PROPERTY ACCORDING TO COST APPROACH	
Land Value	16.065.000 TL
Building Value	33.645.000 TL
External and Miscellaneous Works	145.000 TL
TOTAL VALUE OF THE PROPERTY	49.855.000. TL

6.1.1 VALUATION WITH INCOME APPROACH

Given that the real estate subject to the appraisal is an active hotel, a valuation was made using the “Discounted Cash Flow” method.

Direct Capitalization Method

The approach, called direct or direct capitalization, based on the one-year stabilization of the property, analyzes the market value of the property that generates revenue for a new investor. In order to obtain a capitalization rate, the relationship between the sales prices of comparable properties and their income is examined. This ratio is then applied to the annual operating income earned in the first year after ownership of the subject property. The value obtained is the market value guaranteed by the specified income level, assuming that the same level of return will be obtained on similar properties. In this analysis, the formula “Real Estate Value = Annual Net Income / Capitalization Rate of the Real Estate” is used.

In this valuation study, Direct Capitalization Method was not applied.

Discounted Cash Flow Method

The current project, which has an architectural project and a license in the revenue approach, is valued. In the development method, the most appropriate project is developed on the land that does not have any project or license, and the income to be obtained is reduced by developing the most suitable project. In the development approach, which is used as the second method in land valuation, the income from the project to be built on the land is calculated by calculating the revenues that fall on the share of the land owner.

While evaluating the empty plot of the project or the project under construction, the cash flow table is created by means of the income reduction method according to the field information in the building license with the currently approved architectural project. In the valuation of empty lands, the expert making the valuation determines the sellable / leasable area according to the current zoning plan conditions and creates the cash flow table.

Assumptions Used in the Valuation Process (Hotel Income Projection)

- The hotel subject to the assessment consists of 165 rooms.
- It is assumed that the average occupancy rate of the hotel will be 77% in 2020, this rate will reach 84% occupancy in 2027 and will be constant.
- It is assumed that the hotel will be open 365 days.
- The prices in the mentioned facility are foreseen to be in the concept of bed + breakfast. As a result of the examinations carried out in the tourism sector and the region, it is assumed that the room price will start with 22.00 Euros in 2020 and increase according to the inflation rate and regional economic indicators development projections.
- Considering the performance of the facility, it is assumed that the accommodation revenues of other revenues will be 25% in 2020 and the following years.
- The GOP (Gross Operating Profit) rate in the hotel was assumed to be 33% in 2020, increasing in other years to reach 45% in 2025, and will remain constant in the following years.
- Renovation cost is foreseen to be 1.0% of total hotel room revenues.
- Building insurance cost is used as 12.290.-Euro annually in line with the data obtained by the customer and it is assumed that this value will be fixed in other years.
- The real estate tax value has been used as 13,397.-Euro per year in line with the data obtained by the customer, and this value will increase by 2% every year.
- CBRT buying rate on the date of the report is based on 1 Euro = 6.6506.- TL.
- It is assumed that the annual rental income of the independent department no. 2, which is used as a store, will be 35.000 Euro in total in 2020.
- It is assumed that all payments are made in advance.
- The reduction rate in the projection is taken as 10.00%.
- Taxes are not included in the studies within the scope of IVSC (International Valuation Standards).
- In projection, capitalization rate is accepted as 7.00%.
- 2025 term Euro based last 6 months average 3.30 "Risk Free Return Rate" is accepted.

IBIS Hotel ADANA (3 Stars)	
Room Numbers	165
Number of Days Open	365
Room Capacity (Year)	60.225
Other Income Ratio (%) (Annual Income From the Sale of Room)	25,00%
Renovation Cost Ratio (Over Annual Income) (%)	1,00%
Capitalisation Ratio (%)	6,00%
Capitalisation Ratio AGOP (%)	7,00%
Inflation Ratio (%)	2,00%
Rentable Shopping Area (m ²)	719
1 EUR BUY	
6,6506	

Project Cash Flow (EURO)												
Years	29.12.2019	29.12.2020	29.12.2021	29.12.2022	29.12.2023	29.12.2024	29.12.2025	29.12.2026	29.12.2027	29.12.2028	29.12.2029	29.12.2030
Hotel Function												
Total Rooms (Number)		165	165	165	165	165	165	165	165	165	165	165
Days Open (Days)		365	365	365	365	365	365	365	365	365	365	365
Annual Room Capacity		60.225	60.225	60.225	60.225	60.225	60.225	60.225	60.225	60.225	60.225	60.225
Occupancy Ratio (%)		77%	77%	78%	79%	80%	81%	83%	84%	84%	84%	84%
Room Sale (Number)		46.072	46.373	46.976	47.578	48.180	48.782	49.987	50.589	50.589	50.589	50.589
Room Price (EURO)	21,00	22,00	24,00	26,00	28,00	30,00	31,00	32,00	32,64	33,29	33,96	34,64
Room Accomodation Income (EURO)		1.013.587	1.112.958	1.221.363	1.332.177	1.445.400	1.512.250	1.599.576	1.651.225	1.684.249	1.717.934	1.752.293
Other Income (EURO)		253.397	278.240	305.341	333.044	361.350	378.062	399.894	412.806	421.062	429.484	438.073
Total Hotel Income (EURO)		1.266.983	1.391.198	1.526.704	1.665.221	1.806.750	1.890.312	1.999.470	2.064.031	2.105.312	2.147.418	2.190.366
GOP (Gross Operating Profit Margin) (%)		33%	35%	37%	41%	43%	45%	45%	45%	45%	45%	45%
GOP (Gross Operating Profit)		418.105	486.919	564.880	682.741	776.903	850.640	899.762	928.814	947.390	966.338	985.665
Operating Expenses		848.879	904.278	961.823	982.481	1.029.848	1.039.672	1.099.709	1.135.217	1.157.922	1.181.080	1.204.702
Renovation Cost (EURO)		12.670	13.912	15.267	16.652	18.068	18.903	19.995	20.640	21.053	21.474	21.904
Proper Tax Cost		13.397	13.397	13.397	13.397	13.397	13.397	13.397	13.397	13.397	13.397	13.397
Building Insurance Cost		12.290	12.290	12.290	12.290	12.290	12.290	12.290	12.290	12.290	12.290	12.290
HOTEL Net Income		379.748	447.320	523.927	640.402	733.148	806.051	854.080	882.487	900.650	919.177	938.074
Shop Rental Income		35.000	35.350	35.704	36.061	36.421	36.785	37.153	37.525	37.900	38.279	38.662
Total Net Income	0	414.748	482.670	559.630	676.462	769.569	842.836	891.233	920.012	938.550	957.456	976.736
Net Cash Flows	0	414.748	482.670	559.630	676.462	769.569	842.836	891.233	920.012	938.550	14.910.831	976.736

VALUATION TABLE			
Risk Free Return Rate	3,30%	3,30%	3,30%
Risk Premium	7,20%	7,70%	8,20%
Reduction ratio	9,50%	10,00%	10,50%
Total Present Value (EURO)	10.358.113	9.981.246	9.621.373
Approximate Total Present Value (EURO)	10.360.000	9.980.000	9.620.000
Total Present Value (TL)	68.887.663	66.381.273	63.987.906
Approximate Total Present Value (TL)	68.890.000	66.380.000	63.990.000

6.6.2. RENTAL VALUE ANALYSIS AND DATA USED

According to the additional lease terms agreement Akfen GYO A.Ş.

- The appraisal study obtained by deducting twenty five percent (25%) of gross income (excluding VAT) for the property owned by Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. will pay the amount of adjusted gross operating income higher than 70 percent (72.5%) by 2020.

- The hotel, where the appraisal study is carried out, is Akfen Gayrimenkul Yatırım Ortaklığı A.Ş. It is owned and operated by Accor Group, an international hotel operating company.

It is assumed that the facility will be open 365 days a year.

- The renewal expense to be covered by the investor for the rental model of the hotel was taken at the rate of 5% of the renewal expense calculated in the rental alternative. In the rental model, it is assumed that the renovation works of the hotel will be made by the tenant.

- It is assumed that the annual rental income of the independent section no.2, which is used as a shop, will be 35.000 Euro per year.

- The building insurance cost was used as 12.190.-Euro per year in line with the data obtained by the customer, and it was assumed that this value will be constant in other years.

- The real estate tax value has been used as 13,397.-Euro per year in line with the data obtained by the customer, and this value will increase by 2% every year.

- The reduction rate in the projection was taken as 8%.

- Taxes are not included in the studies within the scope of IVSC (International Valuation Standards).

- In the projection, the capitalization rate was accepted as 6.00%.

- 2025 term Euro based last 6 months average 3.30 "Risk Free Return Rate" is accepted.

- CBRT buying rate on the date of the report is based on 1 Euro = 6.6506.-TL.

Rental Value Analysis and Data Used

Income Rate for Hotel	25%
Rate to be deducted from GOP for AGOP Calculation (First year)	8,00%
AGOP Income Rate	72,5%

TOTAL CASH FLOW												
YEARS	29.12.2019	29.12.2020	29.12.2021	29.12.2022	29.12.2023	29.12.2024	29.12.2025	29.12.2026	29.12.2027	29.12.2028	29.12.2029	29.12.2030
IBIS HOTEL INCOME OVER ADANA (€)	0	316.746	347.799	381.676	416.305	451.688	472.578	499.868	516.008	526.328	536.855	547.592
AGOP ADANA IBIS HOTEL (€)	0	229.641	272.327	320.989	398.404	458.463	507.076	536.358	553.676	564.750	576.045	587.566
ADANA IBIS HOTEL RENTAL INCOME USED (€)	0	316.746	347.799	381.676	416.305	458.463	507.076	536.358	553.676	564.750	576.045	587.566
SHOP RENTAL INCOME (€)		52.500	53.550	54.621	55.713	56.827	57.964	59.123	60.305	61.511	62.741	63.996
INSURANCE EXPENSE (€)	0	15.142	12.290	12.290	12.290	12.290	12.290	12.290	12.290	12.290	12.290	12.290
PROPERTY EXPENSE (€)		14.464	14.753	15.048	15.349	15.656	15.969	16.289	16.615	16.947	17.286	17.632
RENOVATION COST (€) (5%)	0	840	960	1.028	1.086	1.136	1.172	1.210	1.234	1.259	1.284	1.310
TOTAL CASH FLOWS (€)	0	338.800	373.346	407.930	443.293	486.208	535.608	565.692	583.842	595.765	10.338.837	620.330

VALUATION TABLE			
Risk Free Return Rate	3,30%	3,30%	3,30%
Risk Premium	5,20%	5,70%	6,20%
Reduction ratio	7,50%	8,00%	8,50%
Total Present Value (EURO)	8.255.537	7.946.138	7.651.053
Approximate Total Present Value (EURO)	8.260.000	7.950.000	7.650.000
Total Present Value (TL)	54.904.271	52.846.588	50.884.096
Approximate Total Present Value (TL)	54.900.000	52.850.000	50.880.000

Rental Value of The Property:

YEARS	29.12.2019	29.12.2020
Rent Value Average Cash Flow	0	376.774

RENTAL VALUATION TABLE - Hotel			
Risk Free Return Rate	1,44%	1,44%	1,44%
Risk Premium	7,06%	7,56%	8,06%
Discount Rate (%)	8,50%	9,00%	9,50%
Total Present Value (EURO)	347.179	345.583	344.000

Total Present Value (EURO)	345.583
Total Present Value (TL)	2.298.331

Number of Days Between 29.12.2017 and 29.12.2018	366
ANNUAL RENTAL VALUE OF THE HOTEL (EURO)	344.638
HOTEL'S ANNUAL RENTAL VALUE (EURO)	345.000
ANNUAL TOTAL RENTAL VALUE OF THE HOTEL (TL)	2.290.000

6.7 ANALYSIS OF THE LEGAL SITUATION OF REAL ESTATE AND RELATED RIGHTS

Studies regarding the real estate have been made in the relevant Municipality and Land Registry Directorate, and there is no legal restriction.

6.8 HIGHEST AND BEST USE ANALYSIS

It is the most efficient and best use of a property that is physically appropriate, permitted by law, financially viable and valued, providing the highest return.

In line with the market researches and evaluations, the most efficient and best use of the independent section no. 1, which is the subject of the appraisal, is the use of "Hotel" in accordance with its current use and "Workplace" for the independent number 2.

6.9 APPRAISAL ANALYSIS OF THE COMMON OR PARTITIONED SECTIONS

In this valuation study, although the subject property consists of two independent sections, considering the functional uses of these properties, it was deemed appropriate to evaluate them as a whole. The subject property belongs to "Akfen Real Estate Investment Trust Inc." as a full share.

6.10 PRECEDENT SHARE RATIOS IN PROJECTS THAT WILL BE DONE BY THE INCOME SHARING OR THE FLAT FORWARD METHOD

There is no income sharing or floor allowance method.

7 EVALUATION OF ANALYSIS RESULTS

7.1 HARMONIZATION OF DIFFERENT VALUATION METHODS AND ANALYSIS RESULTS AND EXPLANATION OF THE METHOD AND REASONS FOLLOWED FOR THIS PURPOSE

COST APPROACH:

In the said valuation study, the value assessment was made using the discounted cash flow method, which is the cost approach and the income approach method. In the evaluations made, the buying rate is taken as the basis for returns from foreign currency to TL, and the selling rate for returns from TL to foreign currencies.

7.2 REASONS FOR WHAT NOT INCLUDED IN THE REPORT FROM LEAST INFORMATION

There is no information that is not given from minimum information in the report.

7.3 OPINION ABOUT WHETHER LEGAL REQUIREMENTS HAVE BEEN FULFILLED AND WHETHER THE PERMITS AND DOCUMENTS REQUIRED TO BE OBTAINED COMPLETELY IN ACCORDANCE WITH THE LEGISLATION

There are Architectural projects, Zoning Status Certificate, Building Licenses and Building and Usage Permit Documents related to the real estate subject to the appraisal, and all permits and documents to be obtained in accordance with the legislation are complete.

7.4 OPINION ON WHETHER THERE IS AN OBSTACLE IN THE FRAMEWORK OF THE CAPITAL MARKET LEGISLATION IN THE REAL ESTATE INVESTMENT OF THE PROPERTY

Assessment According To Whether There Is A Limitation On The Transfer Of The Real Estate Subject To The Deed Registration

It has been determined that mortgages on the real estate subject to the appraisal are established for the purpose of project financing. The official letter dated 30.12.2019 on the mortgage in question is included in the appendix, and there is no limiting factor for the transfer of real estates.

Assessment According to the Existence of the Real Estate or the Project, Zoning Information, Permits to be Obtained and the Documents with Legal Requirements for Starting the Architectural Project and Construction

The parcel no. 585, subject to the appraisal, remains in the "Trade Area" legend within the scope of the 1 / 1.000 scale Implementation Development Plan approved by Adana Metropolitan Municipality with the decision numbered 105 and dated 08.05.2006.

According to the examination, the "Architectural Project" of the main property, dated 28.12.2011, "Building Permit" dated 01.12.2010 and numbered 12/13, "Building Use Permit" and 3/20 numbered 25.04.2012 Certificate "is available. The subject properties have a building permit and have been transferred to the condominium. In addition, as the real estate allocation in the land registry was made in accordance with its current use, the properties have completed their legal process.

Conclusion Opinion

It has been determined that mortgages on the real estate subject to the appraisal are established for the purpose of project financing.

According to the letter dated 30.12.2019 of the mortgage owner Credit Bank Europe on the mortgage in the real estate pledge rights section of the real estate, the mortgage in question is owned by Accor Group and Akfen GYO A.Ş. According to the agreement between Project Finance Syndication Loan was provided for financing the investments of 9 hotels operated by Accor Group under the brands "IBIS" and "NOVOTEL". Credit Bank Europe's article on this matter is presented in the report annex.

According to the first paragraph of Article 30 of the Communiqué on Real Estate Investment Partners published in the official newspaper of the Capital Markets Board dated 28.05.2013, Real Estate Investment Partners are only related to the financing of these transactions or investments during the purchase of real estate-based rights. Mortgages, pledges and other limited real rights may be established on assets in the portfolio for the purpose of obtaining credit for the company. Pursuant to the relevant article of the communiqué, the mortgage on the real estate does not constitute an obstacle in the real estate investment trusts within the framework of the capital market legislation. In line with these explanations, it is considered that there is no obstacle in the acquisition of properties (hotel + workplace) as a "building" in the Real Estate Investment Trust portfolio as per the provisions of the relevant Capital Market Legislation.

8 CONCLUSION

8.1 CONCLUSION OF RESPONSIBLE REAL ESTATE APPRAISER

I agree with the analysis made by the appraisers on the subject and the conclusions they reached.

8.2 FINAL EVALUATION

The location of the real estate property may affect its value such as the style of its surroundings, infrastructure and transportation facilities, its facade to the street and street, its area and location, the building's layout, system, age, workmanship and material quality, installation status, weather - light - landscape status. all features were taken into consideration and detailed market research was conducted in the location. In this appraisal study, a cost assessment was made using the cost approach and the income approach method. In the evaluations made, the buying rate is taken as the basis for return from TL to foreign currency, and the selling rate for returns from TL to foreign currency. Accordingly, its value is appreciated as follows.

Approach	TL	EUR
Cost Approach	49.855.000	7.826.530
Income Approach	59.615.000	8.965.000

The appraised property in the market approach has been compared with the sales of similar properties in the market. In the examinations carried out in the market, precedents similar to the subject real estate were reached and concrete data were obtained. In the cost approach, the building cost value was evaluated considering the cost approach and the technical characteristics of the buildings, the materials used in the buildings, the construction costs of the buildings built with the same features in the market and the costs calculated based on our past experience. Depreciation in buildings is appreciated by taking into account the visible physical condition of the building based on the experience of the appraiser.

* In the income approach, the real estate is considered as an income generating property, considering the income of the real estates of similar nature and the annual rental income for the independent section no. The aforementioned section no. 1 has been evaluated as an income generating property and an income approach has been used in the valuation of the property. A market research was carried out for similar properties in the region regarding the data used in the income approach. The income approach has been made in two different ways, taking into account the income earned by the real estate in accordance with the current lease agreement and the cash flow potentially can be obtained in the market. The hotel in question has been leased to Accor Group with a lease agreement to be operated at the moment. Accordingly, the value of the real estate has been calculated by reducing the lease income guaranteed by the contract with a lower risk premium. In another way, according to the market research conducted, the evaluation was made according to the potential net cash flows the hotel can achieve.

In this context, the appreciated value of the real estate according to the income approach; It is appreciated by taking the average of the two values calculated based on the rental income guaranteed under the lease agreement and found by discounting the potential net cash flows of the enterprise. The value of the real estate in income generating properties depends on the performance and it is concluded that the value calculated according to the income approach from the two different methods used reflects the value of the real estate better. Accordingly, the market value calculated with the income approach was appreciated as the report result value.

MARKET VALUE OF THE PROPERTY	
Report Date	31.12.2019
Valuation Date	25.12.2019
Market Value (VAT Exc.)	59.615.000.-TL
Market Value (VAT Inc.)	70.345.700.-TL
Market Value (VAT Exc.)	8.965.000.-EURO
Market Value (VAT Inc.)	10.578.700.-EURO
Rental Value (VAT Exc.)	2.290.000.-TL
Rental Value (VAT Inc.)	2.702.200.-TL
Rental Value (VAT Exc.)	345.000.-EURO
Rental Value (VAT Inc.)	407.100.-EURO

NOTES:

- Determined final value is the up-to-date market value for cash sales.
- VAT rate is accepted as 18%.
- It was accepted as 1.-EURO = 6,6506 TL in the report.
- This report has been prepared in accordance with the provisions of the relevant Capital Market Legislation.

ASSIGNED REAL ESTATE APPRAISAL

Ulvi Barkın SENSES

CMB License No: 405898

RESPONSIBLE REAL ESTATE APPRAISAL

Seref EMEN

CMB License No: 401584